

~~SECRET~~

DATA ON THE CASA DE LA CULTURA ECUATORIANA

1. The data in the attached dispatches show that the Casa de la Cultura Ecuatoriana is a 12 year old autonomous organization, established by government Decree Law No. 707 of 9 August 1944. Its headquarters are in Quito and there are 15 provincial branches. It controls some of the finest printing offices in the country, two radio stations, the National Archives, the National Colonial Art Museum, the National Library and its provincial branches, and study groups in such fields as literature, theatre, sciences and music.

2. The Casa is largely government supported but yet government controlled. According to Decree Law 707 of 9 August 1944, and Legislative Decree of 2 November 1948, the Casa de la Cultura derives its funds from a 3/4 per cent ad valorem tax on exports, from a special allocation from the national budget for the maintenance of the above named institutions, from the sale of books and magazines which it publishes, and from commercial work carried on in its editorial plant. The annual budget of the organization is drawn up by a commission comprised of the president and members of the Casa and must be approved by a general board, which in turn presents it to the Minister of Education for his approval in the name of the Chief Executive.

3. The Casa de la Cultura is Communist infiltrated not only in Quito but in the provinces as well. However, as the most important cultural organization in the country, it cuts across ideological boundaries and finds strong support and membership among Conservative and Liberal intellectual elements. These latter groups are sincerely interested in promoting the cultural development of their country, and any attempt to control the activities of the organization based on ideological concepts would probably be met with strong resistance by rightist and moderate groups as well as by leftists. Moreover, any serious disruption in the functioning of the organization would seriously impede the cultural progress of that country as well as stir up strong feelings against the U.S., which would undoubtedly be blamed for such action.

4. At the same time, the existing and potential dangers of Communist influence in the organization cannot be minimized, particularly the potential use of the Casa as a link in the international drive for promotion of trade. [REDACTED] Communists in Argentina, Brazil, Chile, Uruguay and Mexico are going beyond the conventional approaches for the expansion of East-West trade and are increasingly

25X1X6

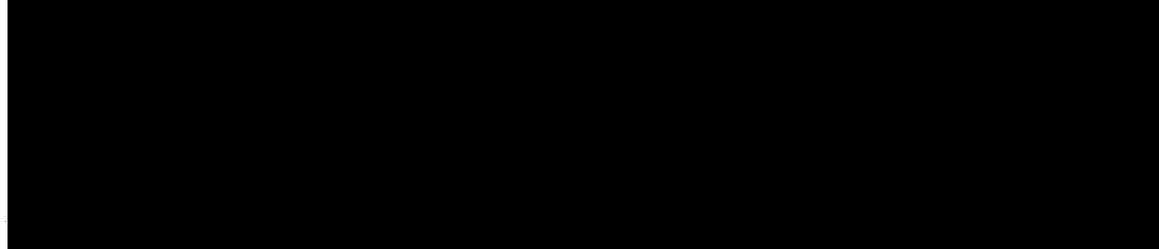
25X1X4

~~SECRET~~  
~~SECRET~~

~~SECRET~~

using cultural organizations and fronts for that purpose. In Quito the Czech Legation is actively sponsoring commercial relations with Ecuador and at the same time maintaining friendly relations with certain Communist leaders of the Casa de la Cultura. Rafael Echeverria Flores, former vice president of the International Union of Students, PCB Secretary for Organization, has been for at least three years general manager of SAIR, a Communist controlled company in Quito representing Czechoslovakian commercial interests. Both he and his wife have been active in cultural affairs. At the May 1955 newspaper exhibit sponsored by the School of Journalism of the Central University of Quito held at the Casa de la Cultura, Sr. Dr. Echeverria distributed Chinese Communist propaganda and conspicuously supported a Chinese Communist demonstration against the Nationalist Chinese exhibit. It is highly probable that Echeverria uses his Communist contacts in the Casa de la Cultura to develop trade between Ecuador and Czechoslovakia and other Communist bloc countries. Since any export trade would increase the revenue of the Casa through the ad valorem tax, it is possible that non-Communist members would disregard ideological considerations and accede to Communist pressures to promote trade with the bloc.

25X1X6

~~SECRET~~

~~SECRET~~  
State Despatches Sent to WH

QUITO 507

472

QUITO 365



25X1A2g

USIS-Guayaquil 4

USIS-Quito 6

USIS-Quito 77

QUITO 38

Guayaquil 98